Henry P. Roybal Commissioner, District 1

Anna Hansen Commissioner, District 2

Ed Moreno Commissioner, District 5



Rudy N. Garcia Commissioner, District 3

Anna T. Hamilton

Commissioner, District 4

Katherine Miller County Manager

#### MEMORANDUM

**DATE:** January 15, 2019

**TO:** Board of County Commissioners

VIA: Katherine Miller

RE: A Resolution in Support of the Proposed Medicaid Buy-In Program in the 2019 Legislative

Session. (Commissioner Moreno)

#### **SUMMARY**

Despite progress in recent years, 190,000 New Mexicans are still uninsured. When people sign up for health coverage, they have a regular source of care, are able to catch and manage health problems before they get serious, and have better financial security. A Medicaid Buy-In will offer quality, affordable coverage to more New Mexicans.

#### BACKGROUND

Medicaid Buy-In allows people to use their own dollars and tax credits to purchase quality coverage. The program will use Medicaid's administrative infrastructure and purchasing power to keep costs under control and provide meaningful oversight. The plan will cover a comprehensive set of benefits and premiums and cost sharing will be adjusted based on income to ensure affordability.

#### **ACTION REQUESTED**

Commissioner Moreno respectfully requests the Board of County Commissioners support and approve this item.

## SANTA FE COUNTY RESOLUTION NO. 2019-

#### A RESOLUTION IN SUPPORT OF THE PROPOSED MEDICAID BUY-IN PROGRAM IN THE 2019 LEGISLATIVE SESSION

WHEREAS, a healthy community is a key goal for Santa Fe County ("County"); and

WHEREAS, the County has taken and is committed to taking an active and strategic role in providing comprehensive, affordable, and quality health care to the County's residents; and

WHEREAS, an estimated 187,000 state residents have no health insurance; and

WHEREAS, thirteen (13) percent of County residents under the age of 65, or 14,723 adults, lack health insurance; and

WHEREAS, seven (7) percent of County residents under the age of 19, or 2,177 children, lack health insurance; and

WHEREAS, most uninsured County residents either cannot afford private health care coverage or do not qualify for the Medicaid program; and

WHEREAS, County residents who are uninsured routinely forego needed medical services, have less access to preventive care and behavioral health services, and must wait until medical conditions worsen into expensive and sometimes untreatable emergencies; and

WHEREAS, New Mexico has made tremendous progress in expanding coverage to uninsured residents by expanding the Medicaid program; and

WHEREAS, as a result of these efforts, more than 832,000 state residents, or more than forty (40) percent of the state's population, are currently covered by Medicaid; and

WHEREAS, as a result of these efforts, more than 99,000 Santa Fe County residents, or more than sixty seven (67) percent of the County's population, are covered by Medicaid; and

WHEREAS, the New Mexico Together for Healthcare Coalition has proposed legislation to develop a Medicaid Buy-In Plan for New Mexico; and

- WHEREAS, the Medicaid Buy-In Plan would expand the options for the state's residents to obtain comprehensive, affordable, and quality health care coverage, enabling the state to close the coverage gap; and
- WHEREAS, the Medicaid Buy-In Plan would enable the state's residents who currently do not qualify for Medicaid to obtain coverage under that program; and
- WHEREAS, the Medicaid Buy-In Plan would prioritize access to those residents who cannot obtain comprehensive, affordable, and quality health care coverage through their employers, public programs, or the health care exchanges established under the Affordable Care Act; and
- WHEREAS, the Medicaid Buy-In Plan would allow the state's residents to obtain a comprehensive set of benefits; and
- WHEREAS, the Medicaid Buy-In Plan would be available to the state's residents at a more affordable cost than private health care coverage; and
- WHEREAS, the Medicaid Buy-In Plan would utilize premium cost sharing, adjusted for income, to ensure affordability; and
- WHEREAS, the Medicaid Buy-In Plan would allow the state's residents to use their own dollars and tax credits to purchase comprehensive, affordable, and quality health care coverage; and
- WHEREAS, the Medicaid Buy-In Plan would use Medicaid's administrative structure and purchasing power to control health care costs and provide accountable oversight; and
- WHEREAS, the Medicaid Buy-In Plan would ensure that doctors and hospitals are paid for their services; and
- **WHEREAS**, the Medicaid Buy-In Plan would enable New Mexico to pursue federal waivers to expand the Medicaid program to even more of the state's residents; and
- WHEREAS, the Medicaid Buy-In Plan legislation will include a state appropriation to establish the program; and
- WHEREAS, on January 4, 2019, the Santa Fe County Health Policy and Planning Commission voted to recommend that the Board of County Commissioners express its support for the Medicaid Buy-In legislation in the 2019 Legislative Session.
- **NOW, THEREFORE, BE IT RESOLVED** that the Board of County Commissioners supports the Medicaid Buy-In legislation in the 2019 Legislative Session, and
- **BE IT FURTHER RESOLVED** that a copy of this Resolution be forwarded to the Santa Fe Legislative Delegation; and

**BE IT FURTHER RESOLVED** that a copy of this resolution be forwarded to the New Mexico Association of Counties.

PASSED, APPROVED, AND ADOPTED THIS 29<sup>TH</sup> DAY OF JANUARY, 2019.

## BOARD OF COUNTY COMMISSIONERS OF SANTA FE COUNTY

Anna Hamilton, Chair
Board of County Commissioners of Santa Fe County
ATTEST:

Geraldine Salazar, County Clerk

APPROVED AS TO FORM:

R. Bruce Frederick, County Attorney

# Closing the Coverage Gap in New Mexico

# Medicaid Buy-In

"We are all equal in deserving health care." - Alfonso Yazzie, NM Together for Healthcare Leader

Despite incredible progress in recent years, 190,000 New Mexicans are still uninsured. When people sign up for health coverage, they have a regular source of care, are able to catch and manage health problems before they get serious, and have better financial security. A Medicaid Buy-In will offer quality, affordable coverage to more New Mexicans.

#### What is a Medicaid Buy-In?

A Medicaid Buy-In allows people to use their own dollars and tax credits to purchase quality coverage. The program will use Medicaid's administrative infrastructure and purchasing power to keep costs under control and provide meaningful oversight. The plan will cover a comprehensive set of benefits and premiums and cost sharing will be adjusted based on income to ensure affordability.

- Expanding affordable coverage
- Healthier communities
- Better financial security for New Mexico

#### Who can sign up?

People who can't get affordable coverage from their employer, a public program, or the Affordable Care Act marketplace will be the first group to qualify for the program. Starting with a focus on people who are uninsured will help New Mexico close the coverage gap and ensure doctors and hospitals are paid for their services. If the program proves to be effective, the governor will have the option to pursue federal waivers to expand the program to more New Mexicans.

#### How much will the program cost?

As the largest purchaser of health care in the state, Medicaid has administrative and purchasing efficiencies that can be leveraged to reduce the program cost. In year one, we are requesting an appropriation to establish the program and are working with legislators specific revenue measures to limit premiums and cost sharing for low-and-moderate income New Mexicans. We hope the program will offer coverage by April of 2020.

NM Together for Healthcare (NMT4HC) is a statewide, multiracial campaign of families and community organizations working together to strengthen healthcare access for New Mexico's children and families.





# Study Medicaid Buy-In Plan

Make Healthcare Affordable for All New Mexicans

Everyone deserves good healthcare and financial security. Healthcare costs are unsustainable for our families. More than 180,000 New Mexicans don't have coverage, and recent actions by the federal government are only driving up costs. New Mexico needs a solution. We can lead the way with a new plan that is gaining momentum in other states and nationally.

# "We are all equal in deserving healthcare."



- Alfonso, Yah-ta-hey NM

## What is the Medicaid buy-in option?

The Medicaid buy-in option is an innovative, healthcare coverage solution. It would open up Medicaid for any state resident to buy (even if they are not eligible for it now). The plan would create a low cost coverage option for everyone, promoting choices and competition in the insurance market. A well designed Medicaid buy-in plan could:

- Greatly improve access to healthcare by expanding coverage for people who are uninsured and reducing the costs of health insurance.
- · Help healthcare providers and hospitals by covering more patients.
- Help businesses by opening up affordable coverage options for employers and workers.
- Ensure insurance companies direct patient dollars to medical care.

### How will it affect healthcare costs for the State?

The costs to the State of administering a Medicaid buy-in option would be built into the price of the plan. Many low-income families will be able to get federal financial help to buy the plan. By offering a low cost option, the Medicaid buy-in plan would expand coverage and reduce health system costs for everyone. Coverage helps patients get timely and preventive care before medical conditions worsen and turn into costly emergencies.

## How should New Mexico study the Medicaid buy-in option?

New Mexico's Legislative Health and Human Services Committee (LHHS) should explore the Medicaid buy-in plan and seek input from stakeholders and the community. The LHHS can evaluate the impact on healthcare providers to ensure the plan increases access to care.

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